

# CALIFORNIA PUBLIC EMPLOYEES' RETIREMENT SYSTEM BOARD OF ADMINISTRATION FINANCE COMMITTEE

### MINUTES OF MEETING

March 16, 2011



The Finance Committee met on March 16, 2011, in the Robert F. Carlson Auditorium, Lincoln Plaza Building, 400 Q Street, Sacramento, California.

The meeting was called to order at 9:20 a.m. and the following members were present:

Henry Jones, Chair Louis F. Moret, Vice Chair Terry McGuire for John Chiang JJ Jelincic Grant Boyken for Bill Lockyer Priya Mathur

Excused Member(s):

Tony Oliveira

Other Board Member(s):

Richard Costigan

### AGENDA ITEM 2 – APPROVAL OF FEBRUARY 15, 2011, MEETING MINUTES

The minutes were approved as presented. Priya Mathur abstained from the vote.

# AGENDA ITEM 3a – ELECTION OF THE FINANCE COMMITTEE CHAIR AND VICE CHAIR

Henry Jones was elected Chair and Louise F. Moret was elected Vice Chair of the Finance Committee by acclamation.

### AGENDA ITEM 4A - CHIEF AUDITOR'S REPORT

Margaret Junker, Chief Auditor, presented a matrix reflecting the status of various

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activities occurring within the Office of Audit Services to the Committee as an information item.

### AGENDA ITEM 4b – OFFICE OF AUDIT SERVICES QUARTERLY STATUS REPORT

Ms. Junker presented the guarterly report to the Committee as an information item.

### AGENDA ITEM 4c - AUDIT RESOLUTION POLICY - PROPOSED REVISIONS

Ms. Junker presented the proposed policy revisions to the Committee as an action item.

On **MOTION** by Lou Moret, **SECONDED** and **CARRIED**, the Committee recommended the Board adopt the revised audit policy as presented.

#### AGENDA ITEM 5a - COMPLIANCE OFFICE REPORT

Sherry Johnstone, Chief Compliance Officer, presented the report to the Committee as an information item.

### AGENDA ITEM 5b - Caipers ETHICS HELPLINE REPORT

Ms. Johnstone presented the report to the Committee as an information item. For all future reporting to the Committee, the Chair directed staff to identify all helpline cases transmitted to external agencies.

# AGENDA ITEM 6a – ENTERPRISE PRIVACY AND SECURITY OFFICER'S QUARTERLY REPORT

Sheri Hofer, Enterprise Privacy and Security Officer, presented the quarterly report to the Committee as an information item.

# AGENDA ITEM 7a – FISCAL YEAR 2011-12 BUDGET PROPOSALS (FIRST READING)

Steve Pietrowski, Assistant Chief, Fiscal Services Division, presented this item to the Committee as an action item.

On **MOTION** by Grant Boyken, **SECONDED** and **CARRIED**, the Committee recommended the Board approve the following:

1. The Committee accept the proposed California Public Employees' Retirement System (CalPERS) FY 2011-12 Administrative Budget of \$334,196,000 and 2,366 positions, and recommend the Board of Administration (Board) approve the Budget as a first reading.

- 2. The Committee accept the proposed CalPERS FY 2011-12 Enterprise Projects Budget of \$43,011,000, and recommend the Board approve the Budget as a first reading.
- 3. The Committee accept the proposed FY 2011-12 CalPERS Headquarters Building Account (Building Account) Budget of \$42,611,000, and recommend the Board approve the Budget as a first reading.
- 4. Approve the transmittal of this agenda item to the Joint Legislative Budget Committee, fiscal committees of the Legislature, State Controller, and Department of Finance, in accordance with the Budget Act of 2010, and to the Legislative Analyst's Office, State and Consumer Services Agency, and the Office of the Legislative Counsel.

### AGENDA ITEM 7b – BUDGET AND EXPENDITURE REPORT FOR THE SECOND QUARTER OF FISCAL YEAR 2010-11

Mr. Pietrowski presented this report to the Committee as an action item.

On **MOTION** by Priya Mathur, **SECONDED** and **CARRIED**, the Committee recommended the Board approve the transmittal letter and submission of the Budget and Expenditure Report through the second quarter of FY 2010-11 to the Joint Legislative Budget Committee, fiscal committees of the Legislature, State Controller, and Department of Finance, in accordance with the Budget Act of 2010, and to the Legislative Analyst's Office, State and Consumer Services Agency and the Office of the Legislative Counsel.

### AGENDA ITEM 7c - CURRENT BUDGET ISSUES

Mr. Pietrowski presented State Budget issues to the Committee as an information item.

#### AGENDA ITEM 7d - CURRENT FINANCIAL REPORTING ISSUES

No issues were reported.

### AGENDA ITEM 8a - ASSISTANT EXECUTIVE OFFICER'S REPORT ON INFORMATION TECHNOLOGY ACTIVITIES

Dale Jablonsky, Assistant Executive Officer, presented a matrix reflecting the status of various activities occurring within the Information Technology Services Branch to the Committee as an information item.

#### AGENDA ITEM 9a - INTERIM ASSISTANT EXECUTIVE OFFICER REPORT

Russ Fong, Interim Assistant Executive Officer, Administrative Services Branch, presented a matrix reflecting the status of various activities occurring within the Administrative Services Branch to the Committee as an information item.

### AGENDA ITEM 9b - PROPOSED APRIL 2011 AGENDA

The proposed agenda was approved as presented.

### **AGENDA ITEM 10a – PUBLIC COMMENT**

There was no public comment.

The meeting of the Finance Committee was adjourned at 10:23 a.m.

The next Finance Committee meeting is scheduled for April 12, 2011, in Sacramento, California.

Date:	
	STEPHEN W. KESSLER
	Deputy Executive Officer, Operations